

TODAY

Manufacturer Framing Up Sales Across North America and Overseas

When Fred Atiq launched Berlinex Polymers Inc., he molded an opportunity to sell his innovative products to a broad marketplace.

Through the use of advanced German technology, the Edmonton businessman developed a process for producing color vinyl window frames that have won the approval of manufacturers across Canada and over the border.

"When I first got into the extrusion business, I thought, if I don't bring in something new, I'll just be competing in price, so I brought in colors," explains Atiq, who established his business in 1990 through the help of Alberta Opportunity Company financing.

"It's something that's different, something that nobody has. This is what I attribute the success of our company to. It's opened a lot of doors for us."

While there are about half a dozen companies in Canada manufacturing vinyl window frames, Atiq says Berlinex is the only firm that adapts its product to match exact color specifications. It serves as an alternative to wood and aluminum frames which can be painted, but are not all-weather resistant and require heavy maintenance.

After successfully penetrating Canadian markets, Atiq landed a contract with a U.S. window manufacturer. He points out that while his product was not so unique in that marketplace, quality proved to be the selling point. He maintains that is the key to doing business internationally.

"We just took a trip and showed our product to a lot of companies. We had a lot of competition from

local companies but the fact that our product is much better, helped."

"The Americans have this notion that anything sold in Canada is somehow better. We've got to use that notion to infiltrate the market. If we can do that at a competitive level, we shouldn't have any trouble selling to the U.S. We should play that up, 'quality made in Canada'," maintains Atiq.

He is confident that the same principle applies to the overseas market, and is currently introducing his product to Japanese manufacturers.

"There are many other markets out there. The biggest problem is, they want us to put up the money to set plants up and we're not ready for that."

For now, Atiq is content to focus on his existing clients, but he envisions more for his young, 35-employee company.

"I believe once you have a good backyard, that's when you can start looking at other countries. That's what we're just starting to do, is look elsewhere."

"Ten years from now, I'm looking at 150 people employed here and sales of \$30 million."

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Fred Atiq of Berlinex
Polymers Inc.

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Crawford Homes Successfully Building Business By Going Abroad



Don Crawford: Selling home-grown housing overseas

Don Crawford's Tips for Tapping into Foreign Markets

"You've got to deal with someone who really understands the local conditions. I'm talking politics, the business climate, that kind of thing."

- "You absolutely have to work with someone in that country."
- "Make sure the people on the other side have the money. Do they really want to go ahead?"
- "Make an effort to get your company known out there. Our name is probably on the wall of every embassy in the world."
- "Be patient. Doing business overseas is a lot of trial and error."

Last month, Don Crawford hopped on a plane for a lengthy overseas trip with stops in Germany, Egypt and Cairo. But instead of a camera and tour guide, he was packing a briefcase and appointment book in pursuit of lucrative contracts for his prefabricated homes.

The owner of Crawford Homes Ltd. at Aldersyde is capitalizing on a global need for sturdy, all-weather housing that can be constructed in a matter of days at an affordable price.

"I had a vision of doing this one day," says AOC client Crawford, who started his family-run business in 1977.

"I don't think I had as big a vision as I have now,

because there's a need for millions of houses around the world. The biggest thing is finding contacts who have the money to pay for them."

When Crawford opened his pre-packaged housing factory, his product was aimed largely at the Alberta market, but the 1981 recession prompted him to take action and broaden his business base. Through the help of a Polish immigrant, his company developed a proposal for introducing Canadian-style homes to that country, and three trips overseas later, a deal was sealed.

Since then, Crawford has made it his business to sell his expertise to nations desperately in need of housing. Because his homes are pre-packaged, he is able to easily ship them overseas for display purposes. Once he's generated sufficient interest, Crawford licenses his technology to investors who want to construct their own factories.

"This takes a long time to do. It's not an overnight thing," he stresses, noting the Poland arrangement took two years to close.

Taking on the Global Marketplace

Gary Webster, Assistant Deputy Minister
Western Economic Diversification Canada

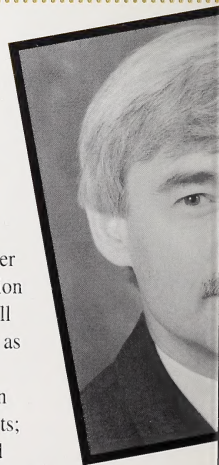
Success in today's business world means being able to compete in the international marketplace. In Canada, 30 per cent of our GDP comes from exports, making us one of the world's leading trading nations. But the harsh reality is that we have a shallow trading culture and performance, with our exports concentrated in a narrow range of products and markets. The time has come for Canada to move from being a trading nation to a "nation of traders."

Globalization of financial markets, trade liberalization, and the rapid flow of technology and communications has placed business in a new competitive environment. Internationalization of capital markets, and a broadened perspective on issues such as debt and the environment all contribute to global interdependence.

Canadian firms must pay attention to exchange rate fluctuations, changing world demographics, varying market tastes, and new opportunities. To successfully access any market and face the competition head on, there are a few important points to remember.

Being competitive:

- is more than simply having the "lowest price" — it is playing up your strengths;
- is capitalizing on the greater flexibility in your production process — being able to fill the smaller orders, as well as the large;
- is maintaining flexibility in your financial arrangements;
- is excellence in design and quality in each and every product produced;
- is strategic partnering that embraces not only trade, but investment and technology transfers;
- has everything to do with the commitment to stay in the market and provide "after sales service" as an integral part of any marketing strategy. Nothing damages a firm's long-term competitiveness in international markets like the reputation for being an "in and outer".



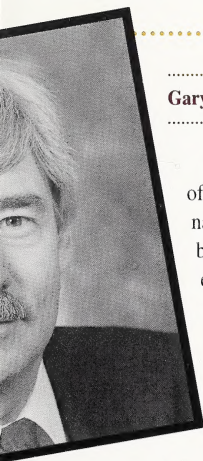
To date, Crawford has established factories in Poland and Japan, and is on the brink of doing the same in Germany and the Middle East.

"In Germany, they still build their houses with brick and stone which is very cold in winter. The biggest thing about our houses is that they can handle extreme weather conditions and be put up in 60 to 90 days. Their's can take up to two years to build. They need a pile of houses over there in the next few years," he says.

Despite the huge inroads Crawford has made in doing business overseas, he points out it will take time before his successes are evident on the company's balance sheets.

"You've got to remember that we're just getting started, really, and that it hasn't reflected that much. We can certainly see, that as far as cash flow goes, we'll realize probably a 50 per cent growth period over the next five years.

This is going to be the biggest thing since sliced bread with our company."



Gary Webster

If Canada is to continue as one of the world's leading trading nations, we need to learn how to do business in the global environment. Canadian business, labor, and government must collectively work to make it a priority to strengthen and develop ongoing

partnerships, and implement internationally competitive strategies and practices that ensure Canadians will benefit from the changing global economy.

At Western Diversification, we're striving to encourage western companies to create new products and develop expanded markets for goods and services. Our business program provides repayable financial assistance, as well as crucial information to help enterprises increase their ability to tap into new international markets. To see if we can help in your endeavours, call: 495-4164.

Crossing the Boundary Old Hat for AOC Branch Manager

We've all heard about cross-border business, but cross-border banking?

Odd as it may sound, it's a predicament AOC's resident commercial credit officer Brian Hooper frequently deals with in Lloydminster which straddles the Alberta/Saskatchewan border.

"It creates a real challenge. We always have to ask what side of the border the business is on. If the loan applicant's business is on the Saskatchewan side, we can't serve them," explains Hooper.

"We don't care what side the individual lives on, as long as they're doing business in Alberta."

But peculiar situations are nothing new to Hooper, a 25-year commercial lending veteran who joined AOC in 1989. Having worked with entrepreneurs from a

variety of communities in northern and central Alberta, he's grown accustomed to the distinctive needs of different areas.

"The variety of businesses I handle is substantially greater than what it would be with a bank. One of the more unique ones I've been involved with was a loan for a tug boat and barge operation," he notes.



AOC's Brian Hooper

Hooper continues to handle financing for a diverse array of businesses at his current posting which involves a territory encompassing Lloydminster, Provost, Wainwright, Viking, Vegreville and Vermilion. Although each area has different needs, he still sees a common thread amongst entrepreneurs.

"Management is one of the most crucial areas business owners need to pay more attention to. Trying to educate business owners is still one of our biggest priorities."

Another ongoing aspect of Hooper's role with AOC is the feedback he receives from clients.

"There's been a number of instances where you put people into business and you go back in six months time to visit them, and they're really grateful we were able to assist them. That's repeated over and over again and to me, that's really rewarding."

"Trying to educate business owners is still one of our biggest priorities."



Call us . . .

AOOC Today was created to meet your information needs. If there's a business issue you want to see addressed, facts you need to know or a story you'd like us to share, call us! We've got an edition of 'The Best of Alberta' for the best suggestion we receive.

We also want to help you in your entrepreneurial endeavours. If you're looking for business partners, seeking an investment opportunity or trying to sell your own operation, call us! We'll make an effort to pass your needs onto our readership.

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AOC's Vice President of Lending, Jim Anderson, recently promoted strategic alliances at the Western Canadian Business Exchange in Vancouver. At the event, representatives of U.S. firms had the opportunity to meet with their counterparts from Canadian companies to determine if they could capitalize on each other's strengths to more successfully compete in today's marketplace.

ADS

Business for Sale

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Letters...

We received your June newsletter, and enjoyed reading the uplifting reports, letters and informative articles.

We suggest a localized, weekly get-together for AOC clients and prospective clients to develop a network for the opportunity to engineer success. This success may be measured by a variety of factors: improved economic development, brainstorming support, network marketing of products and services, personal growth programs, and to support the basic knowledge that we're working in an area where others care about personal and economic development. Canadians, as well as Albertans, can and do make a difference locally and globally.

Steve Bradbury, President,
Westmount Hearing Centre
Edmonton

Editor's note: Great idea! Interested entrepreneurs are invited to call our office . . . we'll see what we can arrange!



We appreciate ingenuity! Steve Bradbury received an edition of 'The Best of Alberta' from AOC Today Editor Debbie Hunchak for his excellent suggestion.